

Resolution Relating to

**INVESTMENT OF UNASSIGNED FUND BALANCE TO
IMPROVE CITY SERVICES AND DRIVE OPERATIONAL
EFFICIENCIES**

RESOLUTION_____
Sponsor(s): Mayor Weinberger; Bd. of
Finance
Introduced: _____
Referred to: _____

Action: _____
Date: _____
Signed by Mayor: _____

CITY OF BURLINGTON

In the year Two Thousand Nineteen
Resolved by the City Council of the City of Burlington, as follows:

1 That WHEREAS, on June 15, 2015 the City Council passed a resolution adopting a Fund Balance Policy,
2 the purpose of which is “to establish a target level of unassigned fund balance for the General Fund and to
3 establish a process and criteria for the continued evaluation of that target level as conditions warrant,” as well
4 as to “establish a process for reaching and maintaining the targeted level of unassigned fund balance, and the
5 priority for the use of amounts in excess of the target;” and
6 WHEREAS, the City’s Fund Balance is the accumulated difference between assets and liabilities
7 within the General Fund; and
8 WHEREAS, a sufficient fund balance allows the City to meet its contractual obligations, provide funds
9 for new and existing programs established by the City Council, mitigate negative revenue implications of
10 federal or state budget actions, mitigate economic downturns, fund disaster or emergency costs, provide funds
11 for cash flow timing discrepancies and fund non-recurring expenses identified as necessary by the City
12 Council; and
13 WHEREAS, the Policy states that “The targeted balance is 10%, and the maximum balance is not to
14 exceed 15%. Any amount in excess of 15% is to be appropriated as assigned fund balance, or to be used to
15 reduce property taxes, or other fund balance categories;” and
16 WHEREAS, the General Fund’s Unassigned Fund Balance as reported in the FY18 Audit Report (the
17 most recent audit report for the City for the Fiscal Year ending June 30, 2018) was \$9,713,896, equal to 16.4%
18 of the General Fund Expenditures for that fiscal year; and
19 WHEREAS, the City seeks to use a portion of that unassigned fund balance to support projects that
20 improve infrastructure, improve operational efficiencies, and/or create new opportunities for revenue; and
21 WHEREAS, for the Fiscal Year beginning July 1, 2018, and ending June 30, 2019 (FY19) the City
22 Council approved certain projects to be performed using unassigned fund balance, and the following balances
23 remain to be used for those purposes:

\$25,000 for the Community & Economic Development Office (CEDO) to complete an update to the Jobs and People Report, which will be incorporated into the Economic Development Plan that CEDO and Planning will begin developing in the Fiscal Year beginning July 1, 2019 and ending June 30, 2020 (FY20); \$80,000 to support work necessary to implement a District Energy System; \$500,000 toward the reappraisal reserve; and

Up to \$45,000 of approved funds to continue the capital project accounting practices review, which started in February 2019;

NOW, THEREFORE, BE IT RESOLVED that up to \$1,293,000 of the Unassigned Fund Balance shall be moved to the 110-00 Non-Departmental Committed Fund to be used for the following purposes:

\$568,000 for the construction and repair of sidewalks as outlined in the City's Sustainable Infrastructure Plan, to ensure the work in FY20 meets the target of three miles of sidewalk outlined without the need for additional bonding;

\$475,000 to expand the FY20 paving contract by 25% to address a number of roads that were not included in the contract due to price constraints, bringing the work in line with targets outlined in the Sustainable Infrastructure Plan without the need for additional bonding;

Up to \$100,000 to hire a consultant(s) to evaluate the opportunity to modify the existing Street Franchise Fee Ordinance to expand the application of fees for use of the public right of way to deliver services; and

Up to \$150,000 to digitize zoning files and property records that currently are in City Hall and are regularly used by staff of the newly formed Department of Permitting & Inspections, which will be located at 645 Pine Street, and by the public.